

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 123382
ORIGIN NEA-10

INFO OCT-01 ISO-00 AF-10 ARA-06 EA-07 EUR-12 CIAE-00
DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05
PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 EB-07
EPG-02 TRSE-00 STR-04 OMB-01 CEA-01 COME-00
FRB-03 XMB-02 OPIC-03 LAB-04 SIL-01 JUSE-00 FTC-01
SEC-01 IGA-02 /128 R

DRAFTED BY NEA/RA:DTMORRISON:BAM
APPROVED BY NEA/RA:SEPALMERJR
NEA/ARN:ETUNIS
NEA/ARP:JZIOLKOWSKI
L/NEA:DSMALL
EA/J:DSMITH
EB/IFD/BP:WLOCKWOOD

-----280811Z 109459 /21

P R 272009Z MAY 77
FM SECSTATE WASHDC
TO AMEMBASSY TOKYO PRIORITY
INFO AMEMBASSY ABU DHABI
AMEMBASSY AMMAN
USINT BAGHDAD
AMEMBASSY CAIRO
AMEMBASSY DAMASCUS
AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY MANAMA
AMEMBASSY SANA
AMEMBASSY TRIPOLI
AMEMBASSY TEL AVIV

LIMITED OFFICIAL USE STATE 123382

E.O. 11652: N/A
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 123382

TAGS: ETRD

SUBJ: ARAB BOYCOTT: REPORTED PRESSURE ON JAPANESE FIRMS
TOTERMINATE LICENSING ARRANGEMENTS WITH RCA

1. SHORT ARTICLE IN MAY 26 WASHINGTON POST REPORTS THAT

KUWAIT HAS LAUNCHED CAMPAIGN TO BOYCOTT JAPANESE ELECTRIC APPLIANCES MANUFACTURED UNDER LICENSING AGREEMENTS WITH RCA CORP. ARTICLE NAMES THREE JAPANESE ELECTRIC APPLIANCE MAKERS AS FIRMS AFFECTED: MATSUSHITA ELECTRIC INDUSTRIAL CO., HITACHI LTD., AND NEW NIPPON ELECTRIC CO. RCA ALSO HAS PROVIDED US TEXTS OF MAY 26 ARTICLES IN JAPAN TIMES, MAINICHI DAILY NEWS AND THE DAILY YOMIURI ON SAME SUBJECT. JAPAN TIMES ADDS SHARP CORP TO ABOVE MENTIONED THREE FIRMS AND CITES MITI OFFICIALS AS SOURCE.

2. RCA REGIONAL REPRESENTATIVE IN TOKYO JOHN RICH REPORTEDLY IS IN CONTACT WITH EMBASSY RE THIS DEVELOPMENT.

3. RCA UNDERSTANDS THAT CENTRAL BOYCOTT OFFICE IN DAMASCUS HAS SENT OUT GENERAL CIRCULAR QUESTIONNAIRE TO JAPANESE ELECTRONIC APPLIANCE SUPPLIERS FOR PURPOSE OF DETERMINING WHERE LICENSING ARRANGEMENTS EXIST. WHILE SOME JAPANESE FIRMS MAY HAVE REPLIED TO QUESTIONNAIRES, OTHERS REPORTEDLY ARE SEEKING ADVICE OR ASSISTANCE FROM GOVERNMENT OF JAPAN. RCA ALSO INFORMS US THAT ABOUT 8 MONTHS AGO A GERMAN LICENSEE

RECEIVED SIMILAR INQUIRY FROM KUWAIT THOUGH PROBLEM APPEARS SOMEHOW TO HAVE BEEN FINESSED BY GERMAN FIRM.

4. RCA HAS ASKED DEPARTMENT TO APPROACH GOVT OF JAPAN TO DETERMINE A) FACTS OF REPORTED ACTIONS BY KUWAIT AND BY CENTRAL BOYCOTT OFFICE, AND B) JAPANESE RESPONSE THUS FAR. RCA ALSO WOULD WELCOME ANY ASSISTANCE EMBASSY CAN PROVIDE IN ENCOURAGING JAPANESE TO STRONGLY RESIST BOYCOTT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 123382

PRESSURES TO INTERFERE WITH CURRENT OR FUTURE LICENSING ARRANGEMENTS BETWEEN RCA AND JAPANESE FIRMS.

5. SUGGEST YOU MAKE CLEAR TO APPROPRIATE JAPANESE OFFICIALS DIFFICULTIES WHICH COULD ARISE IF JAPANESE FIRMS ACCEDE TO SUCH PRESSURES, PARTICULARLY WHERE FIRMS INVOLVED DEPEND UPON PUBLIC GOOD WILL FOR MAJOR SALES OF CONSUMER PRODUCTS IN U.S. MARKET. ALTHOUGH APPLICATION OF BOYCOTT TO LICENSEES OF BLACKLISTED FIRMS MAY NOT BE UNPRECEDENTED, THIS DOES NOT APPEAR TO HAVE BEEN PREVALENT PATTERN OF BOYCOTT ENFORCEMENT TO DATE. ANY CHANGES BUSINESS PRACTICES WHICH LEND ENCOURAGEMENT TO SUCH BOYCOTT TACTICS COULD IMMENSELY COMPLICATE SUBSEQUENT PATTERNS OF DOING BUSINESS WITH BOYCOTTING COUNTRIES. DIRECTION OF CURRENT U.S. LEGISLATION IN PROHIBITING VARIOUS TYPES OF REFUSALS TO DEAL AMONG U.S. SUPPLIERS FOR BOYCOTT-RELATED REASONS WILL ADD, OF COURSE, TO U.S. SENSITIVITY TO THIS TYPE OF REFUSAL TO DEAL BY FIRMS IN THIRD COUNTRIES WITH OUR OWN FIRMS. THIS LEGISLATION IS LIKELY TO BECOME LAW

WITHIN NEXT MONTH.

6. REQUEST YOU CONSULT CLOSELY WITH RCA REGIONAL REPRESENTATIVE IN TOKYO IN DETERMINING BEST APPROACH TO HELPING RCA PRESERVE LICENSING INTERESTS IN FACE OF REPORTED BOYCOTT PRESSURES. PLEASE PROVIDE FULL REPORTING ON CURRENT SITUATION AND RESPONSES OF JAPANESE OFFICIALS. VANCE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ELECTRONIC EQUIPMENT, BOYCOTTS
Control Number: n/a
Copy: SINGLE
Sent Date: 27-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE123382
Document Source: CORE
Document Unique ID: 00
Drafter: DTMORRISON:BAM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770191-0576
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977058/aaaaagmq.tel
Line Count: 123
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 83824698-c288-dd11-92da-001cc4696bcc
Office: ORIGIN NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2599883
Secure: OPEN
Status: NATIVE
Subject: ARAB BOYCOTT: REPORTED PRESSURE ON JAPANESE FIRMS TOTERMINATE LICENSING ARRANGEMENTS WITH RCA
TAGS: ETRD, ETEL, KU, JA, US, RCA CORP
To: TOKYO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/83824698-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009